## Congress of the United States Washington, DC 20515

January 15, 2004

The President The White House Washington, DC 20500

Dear Mr. President:

We are writing to express our deep concern about the Free Trade Agreement (FTA) negotiations underway between the United States and Australia. We recognize there may be several considerations, some economic and other concerns, that have prompted this Administration to pursue a FTA with this nation.

We are also aware of input from key agriculture leaders, farmers and employees back home that this agreement has the serious potential to propel several of America's key agricultural industries into dire straits. As you know, the agricultural sector is central to many of our state's economies. Dairy is one of these industries likely to suffer greatly unless your Administration exercises a considerable degree of caution in drafting the trading terms that will apply under the upcoming FTA. For instance, analysis from a major national trade association estimates that expanded market access to Australia would cost U.S. dairy \$2.5 billion in lost revenue and as many as hundreds of thousands of direct and indirect job losses.

We are watching the development of this agreement closely. We request that you ensure that our dairy industry, especially dairy producers, will not suffer undue hardships if this agreement is put in place. Improper treatment of dairy in the U.S.-Australia FTA will only concentrate Australia's exporting focus largely on the U.S., one of the world's largest and most attractive dairy markets. If the U.S. gives Australia significantly increased access to our dairy market, this will greatly undermine our efforts to achieve real balanced trading terms and opportunities through the World Trade Organization agreement.

We ask that you consider our extremely important WTO interests, as well as the livelihoods and families of the many dairy producers and related businesses and employees in our states. We will be following the U.S.-Australia FTA closely and want to make sure that our dairy industry's concerns are given the highest attention by your Administration.

Thank you for your attention to this critical matter.

Sincerely,

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